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C O N F I D E N T I A L SECTION 01 OF 03 JERUSALEM 000165

SIPDIS

NEA FOR FRONT OFFICE, SEMEP, AND NEA/IPA; NSC FOR  
SHAPIRO/KUMAR; JOINT STAFF FOR LTGEN SELVA

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TAGS: [PGOV](#) [PREL](#) [KPAL](#) [IS](#)  
SUBJECT: DE FACTO SOCIOECONOMIC SEPARATION PERSISTS BETWEEN  
EAST AND WEST JERUSALEM

REF: A. JERUSALEM 136  
[1](#)B. 09 JERUSALEM 2228  
[1](#)C. 09 JERUSALEM 2106

Classified By: Consul General Daniel Rubinstein  
for reasons 1.4 (b,d).

SUMMARY  
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[1](#)1. (C) Contacts ranging from ultra-nationalist Israeli hard-liners to anti-settlement peace activists and Arab community leaders agree that a de facto separation persists between Israeli-majority West Jerusalem and Arab-majority East Jerusalem. East Jerusalem's rapidly-growing Arab population continues to experience poverty, overcrowding, and isolation from more prosperous Israeli neighborhoods to the west. Efforts by pro-settlement Israeli activists to knit closer demographic bonds between the city's two halves -- in an effort to forestall potential partition in a future peace agreement -- have so far achieved only modest success. The municipality's actions to provide basic services to Jerusalem's Arab neighborhoods have fallen short of its rhetoric: the Mayor's projected 2010 budget proposed more funds for outdoor athletic facilities than were allocated to address East Jerusalem's classroom shortage, which is projected to reach 1,900 by year's end. End Summary.

JERUSALEM MAYOR: ARAB GROWTH A "STRATEGIC THREAT"  
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[1](#)2. (C) At a January 12 meeting with members of the Israeli Knesset, Jerusalem Mayor Nir Barkat identified the natural growth of Jerusalem's Arab population as a "strategic threat," saying, "twenty years ago, Jerusalem was 70 percent Jewish and 30 percent Arab, which is the government's goal. Today, the relation is around 65 percent to 35 percent, which constitutes a strategic threat to Jerusalem." Note: Barkat's comments reflect long-standing GOI policy regarding the desired demographic balance in Jerusalem. End Note. Barkat aide Stephan Miller later told Post that "Mayor Barkat believes that Jerusalem should remain a city with a Jewish majority ... This in no way differentiates from the Mayor's commitment to treating all residents equally."

MUNICIPAL STRATEGY UNCLEAR  
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[1](#)3. (SBU) As noted in Ref A, between 2001 and 2007, Jerusalem's Jewish population grew by 1.3 percent annually, while its Arab population grew more than twice as fast (3 percent annully). Barkat, elected on a platform of creating affordable housing and employment opportunities for young Jerusalemites, has spoken of a desire to "close the gaps" in

municipal spending and standards of living between overwhelmingly Israeli West Jerusalem and Arab-majority East Jerusalem. So far, Post contacts say that he has not articulated a clear strategy for bridging the deep socio-economic divide between the two halves of the city. Barkat's proposed 2010 budget allocates 7.8 million NIS (about 2 million USD) for "construction of educational and public buildings in East Jerusalem," significantly less than the 13.3 million NIS (about 3.6 million USD) earmarked for "establishment of hiking trails, biking paths, volleyball courts, and sports facilities."

#### 35 PERCENT OF EAST JERUSALEM OFF-LIMITS TO LEGAL RESIDENTS

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14. (SBU) According to 2009 municipal statistics, approximately 268,000 of Jerusalem's 760,800 legal residents are Arab. The overwhelming majority of Jerusalem's Arab residents hold residency permits, rather than Israeli citizenship. All but an estimated 8,000 live in East Jerusalem. Around 35 percent of East Jerusalem's territory was expropriated by the GOI between 1968 and 1991 for the construction of large Israeli neighborhoods, such as Ramot and Har Homa, in which home ownership is restricted by the Israel Land Administration (ILA) charter to Israeli citizens. (A very small number of Arab East Jerusalem residency-permit holders rent housing units in these neighborhoods from Israeli homeowners on short-term leases). Ownership of homes in West Jerusalem built on "state land" (93 percent of Israeli land falls into this category) is also limited to Israeli citizens.

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#### ARAB NEIGHBORHOODS LACK BASIC SERVICES

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15. (SBU) A significant majority of Jerusalem's 268,000 Arab residents are thus restricted to residence in East Jerusalem's Arab neighborhoods, many of which suffer from severe overcrowding. According to statistics published in 2008 by the Association for Civil Rights in Israel (ACRI), 67 percent of the residents of Arab neighborhoods of East Jerusalem live below the poverty line, as opposed to 21 percent of Jerusalem's Israeli population. Some 160,000 Arab residents of these neighborhoods lack a connection to the municipal water network, and many have no access to municipal electric and sewage systems. This disparity is reflected in the fact that for the past decade, municipal spending in Arab neighborhoods of East Jerusalem has averaged 10 percent of total municipal services spending, despite the fact that it serves 35 percent of the city's population.

#### SIGNIFICANT DISPARITY IN EDUCATION

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16. (SBU) Disparities in municipal services between East and West Jerusalem are particularly dramatic in the area of education. In 2008, ACRI estimated that East Jerusalem suffered from a shortfall of 1,500 classrooms, excluding approximately half of East Jerusalem's children from government-sponsored education, and requiring children who successfully enroll to attend school in shifts. ACRI forecasts that the shortfall will reach 1,900 classrooms by the end of 2010 due to population growth. According to ACRI and NGO Ir Amim, 7,000-9,000 East Jerusalem school-age children are not enrolled in any form of educational program. Post-elementary-school dropout rates hover around 50 percent in Jerusalem's Arab neighborhoods, as opposed to 7.4 percent for Jewish neighborhoods.

#### DRUG USE, CLAN VIOLENCE COMMON

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17. (SBU) High rates of unemployment and drug use (septel) in Arab neighborhoods of East Jerusalem, combined with a

light Israeli police presence, contribute to a culture of growing lawlessness, according to Post contacts. On January 24, the latest in a series of armed clashes between East Jerusalem clans left one Arab resident of Jerusalem dead and seven wounded, as well as dozens with more minor injuries. According to local residents, Israeli police cordoned off the neighborhoods (Jabal Mukabber and Wadi Qaddum) in which the violence -- which unfolded over several hours -- occurred, rather than intervening. Local Arabic-language press reported that Arab community leaders were attempting to re-negotiate a failed truce between the sides. Arab residents of these neighborhoods, bemoaning a lack of municipal attention, told Post, "the East (of Jerusalem) is lost to history. They (the GOI) want the land, but not the people."

#### ARAB NEIGHBORHOODS REMAIN A WORLD APART

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18. (SBU) In conversations with Post, Israeli contacts from both sides of the debate described the current situation of East Jerusalem as a de facto corpus separatum. Daniel Luria, Chief Executive Officer of ultra-nationalist Israeli organization Ateret Cohanim (which opposes a two-state solution), told Post, "let's face it, the municipality has not done justice to Arab residents for many years. (Former Mayor) Teddy Kollek, for all of his left-wing talk, did nothing." Pro-settlement activist Aryeh King noted that in seeding East Jerusalem's Arab neighborhoods with isolated Israeli residences (Ref B), his Israel Land Fund (ILF) group not only complicated the division of the city along ethnic lines -- the ILF's stated objective -- but also "inadvertently" attracted improved municipal services to under-served Arab areas, simply because of the presence of small numbers of Israelis in their midst.

#### ISRAEL HAS "ABANDONED" NEIGHBORHOODS BEYOND BARRIER

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19. (SBU) The isolation of the 55,000 Arab residents of East Jerusalem neighborhoods such as Shuafat and Kfar Akab, which are at least partially cut off from Jerusalem by the separation barrier and from the West Bank by Israeli checkpoints, is particularly dramatic. In a January 8 speech

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at Hebrew University, Yakir Segev, advisor to Mayor Barkat on East Jerusalem issues, told an audience of Israeli students that "the Jerusalem municipality has no hand in managing these neighborhoods, and doesn't have the power to address the difficult situation facing the 55,000 people who live there." He continued, "the State of Israel has given up. (These neighborhoods) are outside of the jurisdiction of the state, and certainly the municipality. For all practical purposes, they are in Ramallah. Outside of the delusional right-wing camp, I don't know anyone who wants to enforce Israeli sovereignty over the area."

#### LIMITED INTEGRATION SPARKS FRICTION IN FRENCH HILL

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110. (SBU) Meanwhile, even modest attempts at "integration" often increase tensions. In recent years, a number of Arabs have moved into the middle-class East Jerusalem neighborhood of French Hill, whose post-1967 population was majority Israeli. Following the GOI's November 2009 announcement of a moratorium on new residential construction in West Bank settlements, French Hill's Arab residents awoke on December 8 to find that 20 cars parked in the street had slashed tires and broken windshields, and were decorated with slogans protesting the moratorium. Note: On December 18, Mayor Barkat, in response to a question from a journalist from Hebrew-language paper Maqor Rishon about what he intended to do about "the fact that French Hill was falling into Arab

hands," replied that "we are now taking action to deal with the neighborhood, make it younger, preserve its character."  
End Note.

#### ISOLATED OUTPOST IN SILWAN REMAINS TENSE

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¶11. (C) To the south of the Old City in the low-income Arab neighborhood of Silwan, approximately 35 Israeli ultra-nationalist activists continue to reside in a single, seven-story apartment building ("Beit Yehonatan," named for convicted U.S. spy Jonathan Pollard) amidst 40,000 Arab residents. Beit Yehonatan, which was constructed illegally, has been subject to court-ordered evacuation since 2007 (Ref C). The building, which is ringed with concertina wire and flies a large Israeli flag, was the site of repeated low-level violent incidents, such as rock-throwing, in the closing months of 2009. Former Palestinian Authority (PA) Minister for Jerusalem Affairs Hatem Abdel Qader told Post on January 22, "we saw some skirmishes (at the house) two nights ago. We want to keep it quiet, but the settlers are not quiet. They hit out at women, at children, with stones, and our people react."

#### BOTH SIDES SEE COMMON REALITY, PREFER ALTERNATE PATHS

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¶13. (SBU) Post contacts on both ends of the political spectrum are in broad agreement that the deep social, cultural, and economic chasm between West Jerusalem and East Jerusalem's Arab neighborhoods persists, despite their vehement disagreement on the desirability of a political outcome which reflects this de facto reality. Luria, who is firmly opposed to the division of Jerusalem, told Post, "We have to invest in those neighborhoods in the East -- otherwise, you divide the city by lack of infrastructure." Gershon Baskin, supporter of a two-state solution, wrote in the Jerusalem Post, "In a way, we are fortunate that the city is so segregated -- it makes political partition possible." Long-time anti-settlement activist Danny Seideman agreed with Baskin, noting, "the driving engine of a political agreement here is not marriage. It's divorce."

RUBINSTEIN